FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 251 *30 December 1982*

ARGENTINA

Foreign Minister Meets Iraqi Ambassador B 1
Iraq Said to Present Formal Protest B 1
UN Good Offices Accepted in Falklands Dispute B 1
Economy Minister Speaks to Business Group B 2
Interior Minister on Current Situation, Protests B 2
[CLARIN 23 Dec]
New Aircraft Model Under Construction B 6

BOLIVIA

'Hardliners' Reassigned in Army Reshuffle C 1
Information Minister Denies Cabinet Crisis C 1
Deputy Interior Minister Reportedly Resigns C 2
Israeli Diplomat Seeks To Promote Bilateral Ties C 2
Aid Possible C 2

PARAGUAY

Request To Move Laino Reportedly Refused [ULTIMA HORA 28 Dec] H 1
PRLA Leader Benitez Florentin Released [LA TRIBUNA 29 Dec] H 1

PERU

Army Ready To Launch Antisubversive Operation J 1
President Gives Order J 1
Communique on Army Role J 1
Police Break Up Shining Path Meeting; 12 Die J 2
Havana Report J 2
400 Suspected Terrorists Begin Prison Fast J 2
27 December Report on Terrorist Actions J 3

PANAMA

Foreign Minister Denies New Treaty Concessions [Havana] N 1
Royo on U.S. Compliance With Canal Treaties N 1
Manfredo Denies Transfer of Railroad to U.S. [LA REPUBLICA 27 Dec] N 1
Correction to: 'Potential Problems in Nutting Stance' N 2

CENTRAL AMERICA

COSTA RICA

Protest to Nicaragua on San Juan River Issue P 1
Briefs: Expulsion of Salvadoran Airline; P 1
New Panamanian Ambassador;
Cooperation Agreement With Taiwan

EL SALVADOR

Garcia Views Elections, Refugees Situation P 2
Officer Says Nicaragua Supplies Guerrillas P 3
[LA PRENSA GRAFICA 29 Dec]

Havana Reports FMLN Guerrilla Activities P 3
Army Casualties Cited P 3
FMLN Actions P 3
Radio Venceremos Reports Seizure of La Palma P 4

GUATEMALA

Mexican Sailor Released; Incident Concluded P 4
Havana: EGP Report Cites Casualties, Sabotage P 4
Havana Cites Intellectual's Support for Belize P 5

HONDURAS

Managua Comments on Airport Expansion, U.S. Role P 5

NICARAGUA

Preparations for Nonaligned Meeting 10-14 Jan [Havana] P 5
Havana Reports on Anti-Sandinist Maneuvers P 6
Wheelock Roman Returns From USSR, Bulgaria P 6

CUBA

Further on National Assembly's Closing Session Q 1
Raul Castro, USSR's Andropov Hold Talks Q 1
Vice President Almeida Makes Stopover in Congo Q 1
Rodriguez Meets With Visiting Foreign Brigade Q 2
Foreign Ministry Delegation Ends Talks in India Q 2
Soviet Envoy on Socialism, Bilateral Relations Q 2
Vietnamese Attache on Liberation Struggles Q 3
AALAPSO Issues Document on Cuba's Anniversary Q 3
Havana Cites 'Purge' in Bolivian Military Q 3
Havana on Christmas Plot Against Nicaragua Q 4
Nicaraguan Envoy Praises New Maritime Line [Managua] Q 5

CARIBBEAN

HAITI

President Duvalier Removes Four Cabinet Members S 1
Havana Notes Claude Arrest S 1

JAMAICA

Government Reports 1.6 Percent Economic Growth S 1

SURINAME

Bouterse: No Return to Parliamentary Government U 1
Bouterse Demands Aid Promised by Netherlands U 1

OTHER COUNTRIES

BRAZIL

Abi-Ackel Orders Release of U.S. Professor V 1

CHILE

Special Exiles' Commission Concludes Work V 1

MEXICO

President Seeks To Sell Shares of Banks V 2
Creation of Four New Ministries Announced V 2

VENEZUELA

Zambrano Pleased With Guyanese Statement V 2

FOREIGN MINISTER MEETS IRAQI AMBASSADOR

PY291225 Buenos Aires DYN in Spanish 2132 GMT 28 Dec 82

[Text] Buenos Aires, 28 Dec (DYN) -- Iraqi Ambassador to Argentina Ahmad al-Mutlaq admitted implicitly today that he had talked with Foreign Minister Juan Aguirre Lanari about the sales of Argentine weapons to Iran.

The Iraqi ambassador met for 40 minutes this afternoon with Aguirre Lanari at San Martin Palace. Approached by reporters on leaving the palace, he stated that he had held "a broad conversation" with the foreign minister, during which they discussed "relations between the two countries."

Asked specifically whether they discussed the subject of sales of Argentine weapons to Iran, the ambassador smiled but did not deny it, stating: "We held broad conversations." He then added that he was "satisfied" with the results of the meeting.

Later, a Foreign Ministry source confirmed that "all points" related to relations between the two countries were discussed.

A few days ago, a shipment of Argentine-made weapons was discovered in Madrid. They were sent by air to Iran. After an investigation carried out at Barajas Airport by the Spanish authorities, the shipment was released and left for Iran. Iraq and Iran have been fighting a war for more than 2 years.

Iraq Said to Present Formal Protest

PY291856 Paris AFP in Spanish 1322 GMT 29 Dec 82

[Excerpt] Buenos Aires, 29 Dec (AFP) -- It has been reported in this capital that Iraqi Ambassador Ahmad al-Mutlaq personally presented a protest to the Argentine Foreign Ministry over the sale of Argentine weapons to Iran.

The Iraqi ambassador met with Foreign Minister Juan Aguirre Lanari with whom he reviewed bilateral relations between the two countries, it was reported later at San Martin Palace (the Foreign Ministry). On leaving the Foreign Ministry, the Iraqi ambassador told the press that the talk with the Argentine foreign minister was very satisfactory. It was learned in diplomatic circles that the Iraqi ambassador presented a formal protest from the Iraqi Government to the Argentine authorities over the sale of weapons, but that the excellent relations which unite the two countries has made possible a healthy dialogue between the two parties.

UN GOOD OFFICES ACCEPTED IN FALKLANDS DISPUTE

PY292205 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2130 GMT 29 Dec 82

[Text] Buenos Aires, 29 DEC (NA) -- Today Argentina accepted the good offices of UN Secretary General Javier Perez de Cuellar to find a peaceful solution to the dispute with Great Britain over the South Atlantic islands. This was reported by San Martin Palace in Buenos Aires this afternoon. San Martin Palace also reported that the document [whereby Argentina accepts Perez de Cuellar's good offices] was submitted to the United Nations by Carlos Muniz, Argentine ambassador to the United Nations.

ECONOMY MINISTER SPEAKS TO BUSINESS GROUP

PY291550 Buenos Aires Domestic Service in Spanish 1030 GMT 29 Dec 82

[Text] Economy Minister Jorge Wehbe has dispelled rumors about the enactment of a new social security contribution by employers. Speaking at a meeting attended by the Chamber of Retail Store Owners, the minister estimated Argentina's total foreign debt at $42 to $43 billion. Wehbe also noted that he will make the expected announcements on financial and fiscal policy for 1983 on 30 December.

In his speech, Wehbe maintained that it is not possible to eliminate the fourth income tax category. As for unemployment insurance, Wehbe explained that although it was under study, it would be difficult to implement since a list of unemployed persons would be necessary. The minister also asserted that the main task is the reactivation of the economy, since the best anti-inflationary policy is to increase production. Noting that the currency would be changed, Wehbe explained that zeros will be taken out in order to make bills easier to handle. As for interest rates, he reiterated that they will be neutral and slightly negative for savings account holders. While refusing to comment on inflation rates for 1983, Wehbe said in response to a question that a 160 percent rate has been estimated. The economy minister ruled out possible far-reaching changes in the financial system, explained that the balance of trade is expected to register a $3.5 to $4 billion surplus and noted that no new taxes are under study.

Further on, Wehbe referred to the agreements reached in the renegotiations of Argentina's foreign debt, despite the various difficulties which had to be surmounted and the forecasts of alleged experts who predicted that the negotiations would fail. He noted that after the foreign debt problem is solved it will be possible to take measures for reactivating idle or semi-idle plants, thus creating new jobs and causing the gross national product to grow. Among the above measures, Wehbe mentioned the construction of public works which, he contended, will have a direct effect on the economy. Since idleness in the construction sector has been most significant, house building has been included in the public works plan. It will also help to solve many socioeconomic problems.

In conclusion, Wehbe rebuked those who have criticized Argentina's decision to repay its foreign debt. He stressed that Argentina must meet its obligations, because failure to do so would mean hardships for our country, growing unemployment and deterioration of the standard of living.

INTERIOR MINISTER ON CURRENT SITUATION, PROTESTS

PY291350 Buenos Aires CLARIN in Spanish 23 Dec 82 pp 12, 13, 53

["Exclusive" interview with Interior Minister Llamil Reston -- date and place of interview not given; passages in upper case originally published in boldface]

[Excerpts] [Question] First of all, we want to talk about the call which the president of the republic will make to the politicians; about the way this call will be made, and whether it will be made to groups or to individuals. Second of all, we want to know what impact the events of Thursday [16 December] have had on the government in political terms.

[Answer] Regarding the call to political leaders, we are JUST NOW ORGANIZING IT.

You know that some of them are not present here; that we must seek them out. But the truth is that we are trying to establish not only the call but the goal as well, which cannot be but, among other things, TO SEEK THE PATHS THAT WILL ALLOW US TO LIVE THROUGH THIS PERIOD UNTIL THE CONSTITUTION IS AGAIN PUT IN FULL FORCE IN AN ORDERLY AND REASONABLE MANNER AND WHICH WILL CREATE THE BEST CONDITIONS, not for us, but for those to come. I believe that the current conditions are not the best ones. Nevertheless, what is happening should not catch us by surprise, because I also feel that what is happening is natural after so many years of CONTAINED PRESSURE -- 6 long years during which almost all activities have been frozen, beginning with union and political activities -- now everything is developing rapidly, from the normalization of the universities to the privatization of the television and radio stations.

What happens is that we all have been working with the idea that institutionalization would gradually take place by 1987, but events accelerated it and obviously, IT BECOMES LIKE A BOTTLE OF CHAMPAGNE WHICH YOU KEEP CORKED: SHAKE IT, AND SUDDENLY IT POPS OPEN AND SPRINKLES ALL THOSE WHO ARE AROUND IT. This is what is happening. I believe that after this period of great agitation we have experienced -- I believe it will end this December -- everything will return, I would not say to complete tranquility, but at least to more reasonable levels so as to allow us to achieve the institutionalization which is desired by all -- more by the political leadership than anybody else -- in a smooth manner.

[Question] What is the government's agenda for the talks with political forces?

[Answer] There is no AGENDA YET, but I could in general terms tell you what the objective should be. There will have to be a set of ideas to make it possible to carry out this period of institutionalization smoothly, BUT THIS INSTITUTIONALIZATION CANNOT BE LIKE A RAFFLE; WE CANNOT THROW THE COUNTRY OUT THE WINDOW NOR CAN WE TURN IT OVER ANY WAY. We want to turn it over in an orderly manner. Notice that everybody is saying that this process will end up in total failure. I believe THAT IS AN EXAGGERATION because as any process or event this has its positive and negative aspects. Intelligent people must correct the negative aspects and take advantage of the positive aspects. I want to point out the primary and fundamental objective of this process: The 24 March proclamation of the armed forces mentioned that one of the fundamental objectives was to break up THE CYCLE OF ALTERNATING CIVILIAN AND MILITARY GOVERNMENTS. IT MIGHT SEEM THAT WE HAVE ALSO FAILED ON THIS. Nobody wants to run this risk of failure, less so the armed forces, WHICH HAVEN'T THE SLIGHTEST INTENTION OF FAILING LIKE THAT.

This systematic resistance or opposition to sitting at a table to talk about problems, which are problems for all of us because we all want to live in this country, seems like nonsense to me. Opposing this on the simple ground that it is A VIOLATION OF CONSTITUTIONAL PRINCIPLES OR THAT IT AMOUNTS TO PUTTING CONDITIONS ON POLITICAL LEADERS SEEMS TO ME AN ARGUMENT OF THOSE WHO HAVE NO ARGUMENT. WHAT I MEAN IS THAT THE WAY THINGS STAND NOW IS NOT CONDUCIVE TO A GOOD END. We will not finish in a smooth manner, which is the way we want it. That is the truth. I believe that nobody argues with that.

[Question] We are interested in talking about Thursday's [16 December] demonstrations. What is your political assessment of it?

[Answer] As a member of the government and as a general of the nation, I CAN TELL YOU THAT THE DEMONSTRATION SERVED TO SHOW THAT SUBVERSION -- WHICH WE THOUGHT WAS GREATLY REDUCED IN ITS MOBILIZATION CAPACITY, IN ITS VIRULENCE -- CAN STILL EXHIBIT ALL THE VIRULENCE IT DID IN 1972 AND 1973. From the standpoint of the security organs, I believe this is the real lesson. FROM THE POLITICAL STANDPOINT, THIS SHOULD MAKE US PONDER SERIOUSLY. I say "ponder seriously" because just as it happened during the 16 December demonstration -- of course nobody wanted it to happen but it did -- it can happen under a constitutional government, because these things do not magically go away. THESE THINGS DO NOT DISAPPEAR OVERNIGHT. We thought that such demonstrations would not happen again for many years. We even thought that we had brought things under such a degree of control that outbursts like that would no longer take place. However, it did take place; and what is more, right in the heart of Buenos Aires and in front of the police who, AT THE REQUEST OF THE ORGANIZERS, STOOD THERE AND FOR 4 HOURS PUT UP WITH ALL KINDS OF INSULTS AND ABUSE.

You will tell me that the political leadership cannot be blamed for that. THAT IS TRUE AND I AM NOT BLAMING THEM. The truth, however, is that the large demonstration provided the context for the other one. This should make us all ponder seriously. Summing up, I would tell you that SUBVERSIVE ACTIVISM IS ALIVE. This is the truth. That Justicialism, the Radical Party, the Christian Democratic Party, the Intransigent Party or the Developmentalist Party existed everybody knew and nobody doubted, but I believe that had the other demonstration not taken place, political leaders WOULD BE HAVING DOUBTS ABOUT THE EXISTENCE OF SUBVERSIVE ACTIVISM. TODAY, HOWEVER, THE WHOLE COUNTRY KNOWS THAT IT EXISTS.

[Question] I understand what you want to tell me, but I want to ask you this: Do you consider the 16 December demonstration as nothing but an act of subversive violence? It seems that the demonstration was for the most part intended as another type of political statement.

[Answer] Such as what?

[Question] That 100,000 persons -- to take an average of the estimates of the size of the demonstration -- should assemble, in addition to the 1,000 or 1,500 subversives, is an important political statement in itself.

[Answer] I am not denying that. It is an important political statement. It would have been even better if 500,000 people had gathered. I have no doubt that THIS IS A DEMOCRATIC COUNTRY where this type of demonstration can take place. BUT I CAN ALSO TELL YOU THAT IN ALMOST ALL COUNTRIES OF THE WORLD DEMONSTRATIONS LIKE THAT ARE NO LONGER STAGED BECAUSE THEY ONLY OCCURRED WHEN THERE WAS NO TELEVISION AND RADIO DID NOT REACH ALL THE PEOPLE. But to call for a rally of that type in a country like ours where deep wounds are in the process of healing, IS TO TAKE A BIG RISK. EVENTS HAVE PROVED THIS.

[Question] How then can a political party call for something it considers just?

[Answer] A political party can use my open office doors at any time to make the demand it wants to make. There is no political leader who wanted to see the president and found the doors closed. Also the media are at the disposal of the political parties more than at that of the government, I would say. How is it done in other countries? Isn't television a more effective medium than a demonstration of that type?

I believe that television can reach even a larger number of people.

[Question] Regarding the charges that some of the demonstrators intended to take over Government House, to take over the government, political leaders said that those charges were an exaggeration.

[Answer] Look, I remember that something like that was said also in 1972 and 1973 before the elections and before CAMPORA became president. But you can remember that on the nights of 24 and 25 May subversives TOOK POWER BY FORCE. This has happened in the country. If we are so foolish and stubborn as to repeat an error and to refuse to see what events have shown can happen, it means that we are not going to learn.

[Question] You made a comparison between the 16 December events and some of the events which occurred in the country before. However, there was a time when the armed forces carried out harsh actions to eliminate subversion. It was announced that subversion was militarily defeated. Do you not think it is a bit exaggerated then to describe the 16 December events as an attack against power, as an attack which threatened national security? This is what President Bignone stated.

[Answer] Not only do I not consider it an exaggeration BUT I VIEW IT AS SOMETHING WHICH MIGHT HAVE HAPPENED. If the police had not restored order, it is very likely that those disrupters, or disturbers as some people call them -- I call them subversive activists -- WOULD HAVE OCCUPIED GOVERNMENT HOUSE. WHAT WOULD HAVE HAPPENED THEN?

[Question] The politicians maintain that there is a kind of a disparity. They refer, for example, to the fact that when a group causes disorder at a soccer stadium the police intervene and arrest them. This is why politicians maintain that there is a disparity between the disorder caused and what happened after. They have even reported attacks against the properties of political parties, as well as the regrettable death of workers at the Plaza de Mayo. In other words, the politicians maintain that there is a kind of disparity between the events and the way in which the authorities reacted to them.

[Answer] I will not argue that. I do not intend to argue with the politicians either. What you say might be true. However, it is necessary to see who were the persons responsible for the disorder. The police officers stood [at the Plaza de Mayo] for 4 long hours putting up with all sorts of things. THEY PUT UP WITH ALL THESE THINGS AND THEY DID NOT ENTER INTO ACTION UNTIL THEY SAW THAT THE PEOPLE WERE ATTEMPTING TO OVERWHELM THEM. Moreover, if you saw the films that were shot at the Plaza de Mayo you probably noticed what the activists did and how the police behaved.

We should not fall into the habit of being unwilling to admit obvious events, because this would mean deceiving ourselves. We have already done that once. We should avoid repeating it because it is likely to have an adverse effect. I was not responsible for the airing of VACA NARVAJA'S cassette over a television channel. The cassette's contents are not original because they were aired by a television station before. This time it was Vaca Narvaja, while FIRMENICH did it the first time. This is proof that the subversives are carrying out some kind of activism. I will not say whether it is large or small-scale activism. The politicians were even warned about the possible risks posed by this activism.

Perhaps the politicians thought that the authorities were exaggerating when speaking of an infiltration of 4,000 or 5,000 activists in the demonstration. Unfortunately, things turned out to be as the authorities reported them. I say unfortunately because nobody wanted things to turn out as they did. It would have been better for the people to hold the demonstration and to disperse in an orderly fashion.

[Question] It has leaked out that the government is now waiting for the political parties to elect their leaders so that the final negotiations can be started. Is this true?

[Answer] Of course. It is true because it is very important to know who the true leaders of each party are. This is so not because of the legal renewal of mandates but because it is what the party members desire.

[Question] But do you not think that when that time comes the leaders will negotiate on harsher terms than the current leaders?

[Answer] No I really do not think so. Besides, I do not want to negotiate anything.

[Question] Well, to reach an agreement.

[Answer] I do not want to negotiate anything. This does not mean that I am quibbling over terms to deny something that might be true. I believe that it is advisable for the political leaders, more than it is for ourselves, TO SEEK AGREEMENT ON CERTAIN MAJOR ISSUES. I SAY THIS BECAUSE THEY ARE THE ONES WHO WILL REPLACE US. We will certainly leave power, DESPITE THE WISHES OF THOSE WHO DREAM OF COUPS DAILY.

[Question] Who do you think dreams of a coup?

[Answer] Everybody. You people INVENT COUPS WHEN YOU HAVE NOTHING TO WRITE ABOUT.

[Question] Are you on good terms with the politicians?

[Answer] We see each other often, at different levels, according to needs. This has been taking place since 2 July, and we do it on terms that are far more cordial than what most people believe, even when the most important national issues are discussed.

NEW AIRCRAFT MODEL UNDER CONSTRUCTION

PY291633 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1145 GMT 29 Dec 82

[Text] Cordoba, 29 Dec (NA) -- Reliable sources have stated that the prototype of the IA-63 fighter plane will come out of the military aircraft factory in this city in December 1983. The IA-63 is being built with the assistance of the FRG company Dornier, which is in charge of developing the model's electronic technology. The first 100 aircraft of this new series will be earmarked for the Argentine Air Force, while a similar number has already been committed by contracts with the military factory to several Latin American countries.

'HARDLINERS' REASSIGNED IN ARMY RESHUFFLE

PY291702 Paris AFP in Spanish 0151 GMT 29 Dec 82

[Text] La Paz, 28 Dec (AFP) -- According to the armed forces' general order of assignments released here today, three former military presidents of Bolivia have been placed on active reserve status and most of the officers belonging to the hardline sector have been assigned to diplomatic posts.

Generals Celso Torrelio Villa, Guido Vildoso Calderon and Alberto Natusch Busch have been placed on active reserve status. At the same time, the key posts of the army have been entrusted to officers of the institutionalist line and this, according to local observers, will protect the constitutional government from military coups.

The changes contained in the general order of assignments were approved a few days after the three branches, in a cleanup operation within the armed forces, drastically approved the dismissal of more than 15 high-ranking officers charged with having violated military honor because of their connection with political crimes, drug trafficking, illegal transactions and for not observing military rules and orders.

Former President Luis Garcia Meza, his interior minister, Luis Arce Gomez, former ministers of state and commanders of forces, units and garrisons have been dismissed.

Army Commander Gen Simon Sejas Tordoya has made official the appointment of Col Sergio Osinaga as commander of the powerful Tarapaca Regiment and Col Rolando Saravia as commander of the Ingavi Regiment. These appointments strengthen the institutional presence in La Paz Department.

Col Gary Prado Salmon, a prominent leader of the armed forces institutionalist group, has been confirmed in his post as commander of the army's 8th Division, headquartered in the eastern city of Santa Cruz, while Col Emilio Lanza, who was expelled from the country by Garcia Meza, was reinstated in his post as commander of the Special Forces Training Center (CITE) located in central Bolivia.

The hardline officers who have been assigned as military attaches abroad are: Col Luis Cordero Montellano to Paraguay; Col Felix Villarroel to the United States; Col Luis Kuramoto to Uruguay; Elias Gutierrez to Argentina and Ricardo Gutierrez to Brazil. Most of these officers are linked with the governments headed by Garcia Meza and Gen Hugo Banzer Suarez (1971-78).

Col Faustino Rico Toro (former interior minister during Gen Juan Pereda Asbun's administration), Col Carlos Lea Plaza (former industry minister during Banzer's administration), Col Arturo Doria Medina and Col Alberto Gribobski, prominent military chiefs during Garcia Meza's administration, have been placed at the disposal of the army commander's office so that they may be given new assignments.

INFORMATION MINISTER DENIES CABINET CRISIS

PY291620 La Paz Radio Illimani Network in Spanish 1100 GMT 29 Dec 82

[Excerpt] President Hernan Siles Zuazo will not reorganize his cabinet, which was sworn in on 10 October, as has been stated during the past few days by several sectors of the local media. According to authorized Government House sources these are mere groundless rumors.

Information Minister Jorge Gonzalez Roda stated that it is not only a rumor but that neither the government nor the political parties are aware of a cabinet crisis.

According to the media reports, the president had allegedly planned to reorganize his team of close aides for the coming year.

Political sources have pointed out that on the contrary, President Hernan Siles Zuazo has voiced his confidence in the ministers; therefore the idea of a cabinet reorganization, which is a prerogative of the chief of state according to constitutional provisions, is dismissed.

DEPUTY INTERIOR MINISTER REPORTEDLY RESIGNS

PY281551 Paris AFP in Spanish 2217 GMT 27 Dec 82

[Text] La Paz, 27 Dec (AFP) -- The afternoon newspaper ULTIMA HORA of this capital has reported that Bolivian Deputy Interior Minister Ramiro Pena is the first official to resign from the functions entrusted to him by the government of Democratic and Popular Unity [UDP] which is headed by President Hernan Siles Zuazo. Although the report has not yet been confirmed, it is known that a few days ago Pena criticized the inactivity of Interior Minister Mario Roncal, who allows, he said, paramilitary elements -- supporters of the overthrown regime -- to walk freely on the main streets of Bolivian cities. This position has been called disloyal by the interior minister, who has reportedly asked for the resignation of his deputy minister.

ISRAELI DIPLOMAT SEEKS TO PROMOTE BILATERAL TIES

PY282020 Paris AFP in Spanish 0217 GMT 27 Dec 82

[Text] La Paz, 27 Dec (AFP) -- Bolivia has always supported the existence of Israel and, "therefore, I believe relations between our two countries will improve," Menahem Karmi, chairman of the Latin American division of the Israeli Foreign Ministry, said here today. The diplomat stated that Bolivia has the right to maintain relations with the PLO, and that this situation will not cause bilateral relations to deteriorate.

Observers point out that Karmi's presence in Bolivia is due to the fact that Bolivia has recognized the PLO as the Palestinian people's only representative and that Siles Zuazo supported the PLO in the speech he delivered at the UN General Assembly on 28 November 1982.

Karmi is scheduled to meet President Siles Zuazo and Foreign Minister Mario Velarde Dorado on 28 December 1982.

Aid Possible

PY291244 La Paz Radio Illimani Network in Spanish 1100 GMT 29 Dec 82

[Text] Bolivia and Israel will strengthen their reciprocal cooperation programs. This was disclosed by the Foreign Ministry shortly after the meeting that Menahem Karmi, chairman of the Latin American division of the Israeli Foreign Ministry, held with the Bolivian foreign minister and President Hernan Siles Zuazo.

The Israeli envoy, who is on a special mission, stated that his country is willing to help in any area where Bolivia may want aid. However, he said that the decision on which sectors will get the aid will be settled through further negotiations.

During the meetings he held with government authorities, also attended to by Israeli Ambassador Arye Avidor, Karmi also explained the situation in the Middle East and Israel's position.

REQUEST TO MOVE LAINO REPORTEDLY REFUSED

PY291652 Asuncion ULTIMA HORA in Spanish 28 Dec 82 p 14

[Text] Dr Domingo Laino has admitted in Clorinda that the Paraguayan Government's request to the Argentine Foreign Ministry to banish him farther away from the border has reportedly been turned down. In remarks to an ULTIMA HORA reporter, the exiled leader said that "I have received unofficial reports that the much promoted request for my resettlement farther away from the border, which was submitted through the appropriate channels to the government of the country to which I have been forced to come for well-known reasons, will not prosper."

Laino stated that the authorities in Clorinda told him that he could move freely in the city." [quotation marks as published] "They also told me that I could settle down in this place," he stated.

This means that for the time being the vice president of the Authentic Radical Liberal Party [PLRA] will not be banished to a place far away from the border between the two countries.

According to EFE, "the Buenos Aires liaison committee of parties opposed to Paraguayan President Alfredo Stroessner has denounced in Buenos Aires the request to banish Laino to a place far removed from the border extended by authorities in Asuncion to the Argentine Government." This commission has stated in a communique that Laino, leader of the PLRA, was expelled from Paraguay and is now in the city of Clorinda. "The Paraguayan opposition leader is not a political refugee because he was taken by the Paraguayan police to Clorinda, and therefore we trust that the Argentine Government will not agree to the request to resettle Laino in a place far from the border."

Another news agency report coming from Quito cites the denunciation made by the Secretariat of the Latin American Human Rights Association. This secretariat has reported that Laino was arrested and then banished to Argentina without due process.

PLRA LEADER BENITEZ FLORENTIN RELEASED

PY291626 Asuncion LA TRIBUNA in Spanish 29 Dec 82 p 2

[Excerpt] Dr Juan Manuel Benitez Florentin, president of the Authentic Radical Liberal Party (PLRA), was released at noon yesterday. This information was given to our newspaper by Dr Miguel Abdon Saguier, PLRA political secretary.

Dr Benitez Florentin was arrested last Monday by members of the police force at Dr Domingo Laino's home. Some members of the Authentic Radical Liberal Youth (JLRA) were also arrested on that same occasion.

Dr Saguier also disclosed that "Alfredo Boccia, Felino Amarilla, Francisco Ignacio Ferreira and Luis Manuel Guanes Gondra, members of the JLRA who were also arrested, were transferred to the security guard premises in Tacumbu yesterday."

ARMY READY TO LAUNCH ANTISUBVERSIVE OPERATION

PY291956 Paris AFP in Spanish 2349 GMT 28 Dec 82

[Text] Lima, 28 Dec (AFP) -- War Minister Gen Luis Cisneros Vizquerra stated here today that the only objective of the presence of the army in the Ayacucho region, southeast of Peru, is to impose peace and order in the nation. He added that the criminal actions of the insane terrorist group Shining Path have caused bloodshed. General Cisneros pointed out that many innocent people are dying as a consequence of insane actions which only lead to chaos. He ended by stating: The presence of the armed forces in Ayacucho is the logical answer to the rebels, and we are determined to see that that department will be able to live in peace in 1983.

Some 700 members of the army have been sent to Ayacucho this week and they were getting ready to start antisubversive actions in the next few hours. They are seemingly only waiting for the 72-hour ultimatum given by President Fernando Belaunde for the terrorists to surrender to expire.

The war minister also urged all Peruvian citizens, with or without uniform to cooperate in order to do away as soon as possible and at the lowest social cost with this subversive organization established by the Shining Path group.

President Gives Order

PY291939 Buenos Aires TELAM in Spanish 1920 GMT 29 Dec 82

[Text] Lima, 29 Dec (TELAM) -- Peruvian President Fernando Belaunde Terry has ordered that terrorists are to be attacked immediately and killed, since the deadline given by the government to the insurgents, who are operating mainly in Ayacucho -- located to the southeast of Lima -- has expired.

The Peruvian Army will assume the political and military control of Ayacucho Department. A resolution in this regard will be issued within the next few hours.

According to the presidential resolution, those insurgents who still want to surrender must do so -- bearing a white flag -- to the military units that are participating in the campaign.

Communique on Army Role

PY300111 Paris AFP in Spanish 0041 GMT 30 Dec 82

[Text] Lima, 29 Dec (AFP) -- The Peruvian Armed Forces went into action today against Shining Path terrorists by taking control over the zone in which the latter are operating, the Interior Ministry announced this afternoon.

In view of the serious developments which have taken place lately in the City and Department of Ayacucho, as well as in other provinces of the Departments of Apurimac and Huancavelica, the nation's president, invoking Article 231 of the Constitution, has ordered the armed forces to take control of internal order in that geographic zone, says the communique issued by the Interior Ministry. The communique concludes by stating that the government wishes to note that the order was issued after exhaustive consideration of public opinion, which has been demanding this measure, and after exhausting all goodwill appeals to the terrorists to abide by the law and to end their criminal activities.

POLICE BREAK UP SHINING PATH MEETING; 12 DIE

PY291122 Paris AFP in Spanish 0154 GMT 29 Dec 82

[Text] Lima, 29 Dec (AFP) -- It was officially disclosed here last night that 12 members of a terrorist group died during a clash with the police in Huancaraylla, a small town located 70 km south of the city of Ayacucho which is southeast of Lima.

The clash took place when a patrol of 23 policemen from the Huancapi garrison arrived in Huancaraylla and found that a meeting was being held. The meeting was being presided over by some 10 or 12 men armed with rifles, revolvers and dynamite.

The terrorists, presumably members of the leftist Shining Path group, confronted the patrol consisting of members of the Civil Guard anti-subversive squad. One policeman and 12 members of the terrorist group died during the shootout.

The police disclosed that other subversive elements fled but that one of them had been arrested. The arrested person, identified as Carlos Montoya Ruiz, admitted having participated in the murder of a policeman in Ayacucho. According to Montoya the objective of the meeting was to execute some people from Huancaraylla who had been accused of treason by Shining Path.

Havana Report

PA291937 Havana International Service in Spanish 1600 GMT 29 Dec 82

[Text] An official communique reports that 12 civilians, presumably members of the illegal armed organization called Shining Path, died in a clash with policemen in the town of Huancaraylla, 70 km from the city of Ayacucho, in southeastern Peru.

The communique notes that the clash took place on Monday, when a police patrol arrived while an armed group was meeting with the townspeople. The communique also states that Carlos Montoya Ruiz, a member of the armed organization, was arrested and confessed that the objective of the meeting was to execute some residents who had been fingered by Shining Path as traitors.

It has also been reported that unidentified persons killed a policeman who was guarding the Lima home of Deputy Interior Minister Hector Lopez Martinez and that a group that was arrested on the charge of staging terrorist actions is continuing its protest of what it has termed abuses by the Civil Guard at El Fronton prison.

According to other reports, Jorge del Prado, secretary general of the Peruvian Communist Party, has asked Peruvian President Fernando Belaunde Terry to extend the 72-hour deadline by which the armed groups operating in Ayacucho and other areas of Peru must surrender.

400 SUSPECTED TERRORISTS BEGIN PRISON FAST

PY281814 Paris AFP in Spanish 0212 GMT 28 Dec 82

[Excerpt] Lima, 27 Dec (AFP) -- Peruvian Justice Minister Armando Buendia disclosed today that some 400 persons who are under arrest on suspicion of terrorist activities have started a fast at the Fronton prison, which is located on an island in front of Callao port. The minister stated that the prisoners had entrenched themselves in a wing of the prison and refused to take their food. He added that this measure was taken last weekend and that all efforts to convince the rebels have been useless. We want to avoid violence, he stated.

The Fronton prison was reopened a few months ago. It is located on a desolate island some 15 miles from the coast and during the 30's and 40's was used to confine political prisoners. It had been empty for the past decade.

27 DECEMBER REPORT ON TERRORIST ACTIONS

PY292027 Paris AFP in Spanish 1525 GMT 27 Dec 82

[Text] Lima, 27 Dec (AFP) -- Raiders of the extremist group Shining Path murdered a student and launched a psychological war by silencing a radio station, hoisting up flags in strategic points and distributing a great quantity of subversive materials in Ayacucho. Members of the same organization caused a blackout in Arequipa and a fire in a store in Lima where they had planted a bomb.

Yesterday 21-year-old student Jose Illamahui Ayala was hauled out of his home in the Vista Alegre shantytown on the outskirts of Ayacucho, 575 km southeast of Lima, and once in the street was shot three times and killed. He was killed because of his bad habits and because he was a thief.

Clearly defying police forces, which have been reinforced with the arrival of some 400 soldiers from the army whose job is to get rid of subversion in the south Andean region and especially in convulsed Ayacucho, the members of Shining Path hoisted a huge red flag on La Picota hill. Other flags appeared hanging from power lines on monuments and in a small plaza.

Early last night a group of hooded, armed men raided the La Voz Radio Station in Ayacucho. After overpowering a guard and the station's personnel they silenced the radio for 1 hour. This caused a great commotion among the inhabitants.

Huanta, a province of Ayacucho, was shaken by a series of bomb explosions and a luminous sign with the hammer and sickle on it appeared on Huallga hill.

A local newspaper disclosed today in Arequipa, 1,000 km south of Lima, that 2 hours before Christmas Eve a blackout was caused by alleged terrorists who cut the high tension cables in the downtown sector of this city. The electricity was only restored in the afternoon of the 25th.

In Lima on Saturday a time bomb planted by alleged terrorists caused a fierce fire in the Scala Gigante store in Maranga, on the outskirts of this capital. The fire caused large material losses.

Information from Huancavelica, 522 km southeast of Lima, states that armed groups appeared the day before Christmas in the Huando and Palca districts and that the same day alleged terrorists who were heavily armed occupied the Minas Marta mining camp where they gave the inhabitants a lecture on the people's war.

FOREIGN MINISTER DENIES NEW TREATY CONCESSIONS

PA300336 Havana International Service in Spanish 0000 GMT 30 Dec 82

[Text] Panamanian Foreign Minister Juan Jose Amado has vigorously refuted remarks by U.S. Ambassador Everett Briggs to the effect that Panama is willing to make new concessions to ensure that the canal treaties will be fulfilled. Panama, Amado stressed, can settle any problem regarding the fulfillment of what was agreed upon with the United States but in no way will Panama make new concessions. The foreign minister emphasized that Panama maintains the firm position that the Torrijos-Carter treaties must be fulfilled without changes or modifications.

Meanwhile, the Hungarian newspaper MAGYAR HIRLAP said that Panama will be harmed if the United States builds an oil pipeline across the isthmus to transport the petroleum of U.S. companies from the Pacific Ocean to the Gulf of Mexico.

ROYO ON U.S. COMPLIANCE WITH CANAL TREATIES

PA270436 Panama City Televisora Nacional in Spanish 0000 GMT 27 Dec 82

[Text] Aristides Royo, former Panamanian president and the current ambassador to Spain, noted in Oviedo today that the Americans must fulfill their part of the treaties because we are not Cherokee, Sioux or Blackfoot Indians, whose treaties were violated even before they were signed. The Panamanian politician, who is spending Christmas in Asturias, said that the total transfer of a strategic waterway such as the Panama Canal will be difficult if unrest continues in the Central American region.

In an interview granted to an Oviedo paper, the former president spoke about Jimmy Carter and said that he was like a priest, almost a parish priest; a man too good to be a president. This man agreed to give to Panama what it truly deserved, Royo added, but his decision prompted disagreement in certain U.S. circles.

He said that the United States is complying with the process, but its final phase will depend on future circumstances. If the area continues to be characterized by unrest, compliance with the treaties might be affected; in other words, that would obstruct compliance with the treaties. A complete withdrawal by the Americans as planned and a total transfer of the Panama Canal would be hard to carry out if the Central American region continues under the same situation, Royo stressed.

He further noted that he feels free since he left the presidency, and that he plans to use his time to work in literature and on topics of Spanish and Latin American history.

MANFREDO DENIES TRANSFER OF RAILROAD TO U.S.

PA292132 Panama City LA REPUBLICA in Spanish 27 Dec 82 p 1

[Article by Aladino A. Zambrano]

[Text] Fernando Manfredo, deputy administrator of the Panama Canal Commission, denied press reports concerning a possible transfer of the Panama Railroad to the commission. In his statement, Manfredo noted that he has received no information from the Panamanian Government on the possibility that the Panama Railroad will be placed under the administration of the Panama Canal Commission.

The deputy administrator of the Canal Commission admitted that he knows about the railroad's financial loss under Panamanian administration and the deterioration of this service. Manfredo indicated that the railroad's deterioration is affecting the Canal Commission because the employees who use this means of transportation to go to work are frequently late because of delays in the trains' departure.

Furthermore, Manfredo stressed that Panama is not interested in turning the railroad over to the United States. What Panama is saying, Manfredo added, is that the railroad was losing money when it operated under the Panama Canal Company and these losses were subsidized by the canal users; therefore there is no reason for Panamanian taxpayers to assume these losses. Panama is proposing that the Panama Canal Commission and the armed forces assume the railroad losses in an amount equal to the railroad's losses when it was transferred to Panama, Manfredo said.

In addition, Manfredo stressed that the railroad was transferred to Panama with limitations which force the country to coordinate the railroad's activities that concern canal operations with those of the Panama Canal Commission.

CORRECTION TO: 'POTENTIAL PROBLEMS IN NUTTING STANCE'

The subslug (the paragraph located immediately following the sourceline) to the item entitled "Potential for Problems Seen in Nutting Stance," published in the 23 December Latin America DAILY REPORT on page N 2 should read:

"Vox Populi" column by Luis Restrepo Rosas: "Conflict Between Generals" (correcting title)

COSTA RICA

PROTEST TO NICARAGUA ON SAN JUAN RIVER ISSUE

PA291308 San Jose Radio Reloj in Spanish 0100 GMT 29 Dec 82

[Text] According to Costa Rican Foreign Minister Fernando Volio Jimenez, Costa Rica will lodge a new protest note with Nicaragua on Monday because of the persistent interference with free navigation of the San Juan River.

Jesus Fernandez, Costa Rican ambassador to Nicaragua, will deliver the protest note to the Nicaraguan Foreign Ministry on Monday. Volio Jimenez summoned Fernandez for consultations.

The foreign minister said that he will summon Nicaraguan Ambassador Rogelio Ramirez Mercado to his office on Tuesday to give him the new protest note, as well.

The note reiterates that Costa Rica will not permit the exercise of unilateral control over our country's inalienable rights to the San Juan River, as established in international treaties.

Volio Jimenez added that Fernandez was also instructed to ask the Nicaraguan Foreign Ministry if Nicaragua in fact has the political desire to achieve a bilateral solution to the conflicts over the San Juan River. Although it is true that the Nicaraguan authorities have changed the methods of their control, which are less harsh, it is also true that they persist, the foreign minister noted.

In view of the persistence of the problem on the San Juan River, where Costa Ricans are harassed and searched by Sandinist authorities, President Luis Alberto Monge has ordered that various bilateral solutions to the problem be considered. However, Monge believes that if no bilateral agreement is reached within a reasonable period, Costa Rica will have to resort to international organizations.

Costa Rica can apply international law in protecting its right to free navigation of the San Juan River and we will assert our rights despite the interference, Volio Jimenez remarked.

BRIEFS

EXPULSION OF SALVADORAN AIRLINE -- Yesterday the Costa Rican Civil Aeronautics Council expelled the Salvadoran Taca international airlines. According to reports, this measure is aimed at pressuring the Salvadoran Government into granting advantageous privileges to the Costa Rican national airline. [San Salvador EL DIARIO DE HOY 22 Dec 82 p 5 PA]

NEW PANAMANIAN AMBASSADOR -- San Jose, 22 Dec (ACAN-EFE) -- Costa Rican President Luis Alberto Monge, accompanied by Foreign Minister Fernando Volio, received the credentials of Luis Carlos Noriega, new Panamanian ambassador to Costa Rica and brother of Col Manuel Antonio Noriega, chief of staff of the Panamanian National Guard, today. [Panama City ACAN in Spanish 2308 GMT 22 Dec 82 PA]

COOPERATION AGREEMENT WITH TAIWAN -- First Vice President Alberto Fait Lizano has announced that Costa Rica and Taiwan have signed a cooperation agreement. Fait recently concluded a trip to Taiwan where an agreement was reached on investments in Costa Rica and on Taiwan's purchase of $600,000 worth of Costa Rican coffee. [Panama City ACAN in Spanish 0209 GMT 17 Dec 82 PA]

EL SALVADOR

GARCIA VIEWS ELECTIONS, REFUGEES SITUATION

PA300217 San Salvador Radio Cadena YSU in Spanish 1200 GMT 29 Dec 82

[Unidentified journalist's interview with Salvadoran Defense Minister Gen Jose Guillermo Garcia on 28 December; place not given -- recorded]

[Excerpts] [Broadcast in progress] [Garcia] [Words indistinct] the efforts we are making so that the Salvadorans will increase even more the confidence they have in the armed forces. Please rest assured that there is no respite for us; we are constantly dedicated to achieving what we all want -- peace. This is also directly related to the awareness that the subversives, their leaders and those who carry out their orders must have. Once and for all they must realize that they will never come to power through the means they have used. We have offered them the other alternative; we have repeated this. We now insist that the alternative is what the free world has to offer and not what the systems they are seeking will offer. Democracy is the solution; the democratic system is the alternative. In our case, the upcoming elections will tell the world about the capacity of a nation to choose and say we do not want violence. It is not through violence that one must attain power but through peace, through the vote. This is the greatness of the Free World nations. I stress this because this greatness does not exist in the other systems they want to impose on us. The armed forces have already proved they have the capacity to guarantee absolutely free and honest elections. We can anticipate that the armed forces will guarantee this process, and it will be free and honest.

[Question] Mr Minister, the International Red Cross in Sabanetas gave us some good news. They said that the Salvadoran Army is in control as far as Perquin, San Fernando and Torola. However, our newspapers published a report saying that the people in Sabanetas were dying from hunger. The International Red Cross confirmed to us yesterday that the people are not dying from hunger although they are running low on food and have few clothes. They said that the Red Cross has taken lots and lots of food and clothing for approximately 8,000 people, including 5,000 refugees from San Fernando, Torola and Perquin. The Red Cross also said that the army has not reached the place where these 8,000 people are, but that neither are the guerrillas bothering them. The International Red Cross said that in no case will they give food or clothing to the army or the guerrillas, but that it will give full medical attention to anyone. What is your opinion, Mr Minister?

[Answer] Well, I believe that is one of the specific missions of the Red Cross; to give aid without distinction. Of course we, as an armed institution, have never asked the Red Cross to help us with food or anything like that. The armed forces cannot tell what has happened on the other side but we can say that the Red Cross is carrying out one of its missions; helping the people who need it so much. As you yourself said it, the people are not dying from hunger; they are only running low on food. Not only the Red Cross but other organizations with a similar mission can very well start a campaign to help those people who are practically [words indistinct].

[Question] Since we already have a human rights commission, couldn't its members make efforts, through the armed forces, to reach those 8,000 people so they can be relocated in a more suitable place and protect them from the many snakes and wild animals in those areas?

[Answer] It is difficult to organize the transfer of so many people. I would like to tell you we do not have to get so alarmed because things are not so bad.

OFFICER SAYS NICARAGUA SUPPLIES GUERRILLAS

PA292237 San Salvador LA PRENSA GRAFICA in Spanish 29 Dec 82 pp 2, 11

[Excerpt] "As long as the subversives continue to have logistic support from Nicaragua, terrorism will continue its destruction with the consequent victims and serious damage to the national economy," Col Rafael Flores Lima, chief of staff of the armed forces, said yesterday. The high-ranking military officer was questioned during a news conference. He categorically stated that Nicaragua is the source of the supply of weapons, explosives, money, medicines and trained terrorists who come to join the subversives.

"Unfortunately," he said, "the Sandinist government is the main supplier of war materiel for the clandestine organizations and the armed forces cannot prevent this because they lack equipment and specialized personnel to prevent the daily entrance into El Salvador of large amounts of ammunition, material for explosives and various kinds of weapons."

"This is why," he added, "the process to end subversion in El Salvador is being delayed because as long as Nicaragua and its extreme leftist radical government insist on a negative attitude, there will be no peace in the region no matter how great the efforts made toward this end."

HAVANA REPORTS FMLN GUERRILLA ACTIVITIES

Army Casualties Cited

PA292020 Havana International Service in Spanish 1600 GMT 29 Dec 82

[Text] Forty percent of El Salvador's eastern departments are without power for the second day in a row as a result of the guerrillas' sabotage of power lines. Meanwhile, military sources have admitted that the rebel forces inflicted five casualties on a Salvadoran Army patrol, on the Coyolito Bridge, Usulutan Department, where the guerrillas had an armed clash with the dictatorship's forces.

According to reports, the guerrillas are operating near the city of San Vicente, particularly on the Pan-American Highway, despite police surveillance of roads, bridges and powerplants.

Gen Jose Guillermo Garcia, chief of staff for the Salvadoran Armed Forces, has said that from January 1981 to date some 1,300 soldiers have died in combat with guerrilla forces.

FMLN Actions

PA300235 Havana International Service in Spanish 0000 GMT 30 Dec 82

[Text] Eight Salvadoran Army soldiers were killed and several were wounded when FMLN guerrillas ambushed a military truck in the town of Santiago de Maria, Usulutan Department.

Other groups of rebels inflicted several casualties on the army during an attack on a patrol in the town of San Jose las Flores, Chalatenango Department. Meanwhile, in San Salvador, they dynamited a bus and four trucks and attacked a police security post. The army sustained many casualties and lost war materiel in battles waged in areas of Morazan, San Vicente and La Union Departments.

Other reports indicate that 40 percent of the eastern departments of El Salvador continue without electricity as a result of the guerrilla sabotage of powerlines and towers 2 days ago.

RADIO VENCEREMOS REPORTS SEIZURE OF LA PALMA

PA291819 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 29 Dec 82

[Text] We are now receiving an official report on the recent seizure of La Palma, Chalatenango Department, by our forces.

At 0400 on 22 December, FMLN units seized the town of La Palma and attacked both the local National Guard headquarters and the paramilitary headquarters there.

At 0615, our forces had taken control of most of the town; the enemy's defensive perimeter was reduced, with our forces seizing arms and war material and inflicting casualties on the enemy forces. The guards then sought refuge in their headquarters, while the fighting continued. At 0800, our forces surrounded the headquarters building and seized it.

The town of La Palma is on an important road that joins the capital with (Poy), a post on the border with Honduras. La Palma is 7 km from this border post.

This action represents another FMLN victory, which has resulted in the seizure of additional weapons. This report was sent by Commander Jesus.

GUATEMALA

MEXICAN SAILOR RELEASED; INCIDENT CONCLUDED

PA291910 Guatemala City Radio Nuevo Mundo Network in Spanish 1200 GMT 28 Dec 82

[Text] The Guatemalan Government has released the Mexican crewman of a Mexican boat seized in waters off San Marcos de Ocos. The presidency's public relations secretariat issued a press communique last night summarizing the incident that occurred on the Mexican border on 25 December when a Mexican patrol boat on guard duty stopped two Guatemalan fishing boats and inspected their cargo, on the suspicion that they were in Mexican waters.

According to reports gathered by this station, the Guatemalan Government has turned Urbano Mateos, the sailor, over to the Mexican Government and now feels that the matter is closed; given the two nations' friendly relations, the fact that it is not always easy to determine the border point between the two countries' territorial waters, and the fact that the site of the incident indicates that it was not a deliberate provocation but a normal action occuring within routine patrol operations.

In conclusion, the press communique issued yesterday afternoon indicates that the damage caused to the boat, which ran aground in Guatemalan territory, will be paid by the Mexican Government and that the incident, which sponsored considerable comment in the local and international press, is now considered finished.

HAVANA: EGP REPORT CITES CASUALTIES, SABOTAGE

PA291925 Havana International Service in Spanish 0000 GMT 29 Dec 82

[Text] In the last 70 days, the People's Guerrilla Army, EGP, of Guatemala has inflicted 260 casualties on the army and paramilitary corps in fighting in Huehuetenango Department. A bulletin released by that guerrilla organization revealed that in various military operations its forces have killed 160 soldiers or paramilitary elements and wounded 100 more.

It also reported that rebel groups staged six sabotage actions against the nation's energy system, interrupting the power in several of that department's municipalities. The EGP is one of the four organizations that comprise the National Revolutionary Unity of Guatemala. Other reports revealed that the Guatemalan regime extended the stage of siege, which has been in effect for 10 months, for 30 more days.

HAVANA CITES INTELLECTUAL'S SUPPORT FOR BELIZE

PA300241 Havana International Service in Spanish 0000 GMT 30 Dec 82

[Text] The Central American revolution on a victorious course will be the surest historic guarantee for the true independence of the Belize when the great isthmian homeland is built on the new bases that the revolutionary process will determine, distinguished Guatemalan intellectual (Manuel Galich) has said. In the work, "Belize, 1 year After its Independence," which is published by the CASA DE LAS AMERICAS, magazine, (Galich) added that Romeo Lucas Garcia was removed from the Guatemalan Government by a military coup in March but that this did not mean any change because Efrain Rios Montt's government follows the same policy of his predecessors almost 1 year since the independence of Belize.

(Galich) stressed that during the Jacobo Arbenz government the Guatemalan Foreign Ministry introduced a change regarding Belize and it recognized that only the Belizean people had the right to decide their own destiny. (Manuel Galich) indicated that the Arbenz government was overthrown by Yankee imperialism and a group of traitorous military leaders who for 27 years have disguised as patriotism their demands for the so-called recovery of Belize.

HONDURAS

MANAGUA COMMENTS ON AIRPORT EXPANSION, U.S. ROLE

PA290402 Managua Radio Sandino Network in Spanish 1200 GMT 28 Dec 82

[Text] Tegucigalpa -- the U.S. Embassy in Honduras is sponsoring the expansion of the (Palmerola) airport, which is considered by the Honduras military as an essential strategic air base in case of war against Nicaragua. (George Flower), an official of the U.S. Embassy in Honduras, published a request for bids under his name and that of the embassy in Honduras newspapers, addressed to all construction companies interested in laying 80 km of asphalt pavement and 5.5 km of cement pavement at the (Palmerola) military base.

The project's cost is estimated at $10 million and includes the construction of a fuel storage depot with a 50,000-barrel capacity, as well as airplane hangars. According to Honduran law, the responsibility for this type of bid is the exclusive domain of the Secretariat of Communications, Public Works and Transportation. The fact that the bids have been requested by the U.S. Embassy has been interpreted as a sign of the Pentagon's mistrust in the technical and administrative capabilities of Honduran military officers. It is also considered proof of the U.S. authority over the government of Roberto Suazo Cordova and the Honduran military establishment.

NICARAGUA

PREPARATIONS FOR NONALIGNED MEETING 10-14 JAN

PA300200 Havana International Service in Spanish 0000 GMT 30 Dec 82

[Text] Forty nine countries have confirmed their participation in the ministerial meeting that the Coordination Bureau of the Movement of Nonaligned Countries will hold in Managua, Nicaragua, on 10-14 January.

Nicaraguan Deputy Foreign Minister Nora Astorga said that, so far, the foreign ministers of 19 countries have confirmed their attendance. These include Argentina, Guyana, Panama, Grenada, Bolivia and Cuba. Five other countries accepted the invitation but they will be represented by their deputy foreign ministers. The Nicaraguan deputy foreign minister added that the meeting will be attended by (Diego Cordovez), UN assistant secretary general for political affairs, as well as by Juan Mari Bras and Ruben Berrios, leaders of the Puerto Rican Socialist and Independence parties, respectively.

Nora Astorga said that the Managua meeting will mean political support and recognition of the Nicaraguan revolution's desire for peace.

HAVANA REPORTS ON ANTI-SANDINIST MANEUVERS

PA282351 Havana International Service in Spanish 1600 GMT 28 Dec 82

[Text] A high-level Nicaraguan military source has reported that on Sunday soldiers of the Sandinist Peoples Army repelled counterrevolutionary forces coming from Honduran territory that attacked El Aguacate, a border town in Nueva Segovia Department. The assailants sustained two casualties and had to retreat to their bases in Honduras.

Other dispatches reported that Nicaraguan Defense Minister Humberto Ortega charged that the United States is trying to use Israel in its plans against the Sandinist process. At a ceremony held in Managua yesterday, Ortega said that Israeli Defense Minister Ari'el Sharon's recent visit to Honduras shows that the U.S. Government is seeking new ways to attack the Nicaraguan revolution.

Ortega disclosed that by 22 December the Nicaraguan authorities already knew that preparations were underway in Honduras that could be the groundwork for the Hawk View maneuvers that were postponed in early December.

He added that movements by U.S. naval units have been reported in the Gulf of Fonseca, whose waters are shared by Honduras, Nicaragua and El Salvador. He also disclosed that another U.S. vessel was sent from Puerto Rico to Puerto Lempira in Honduran territory, near the border with Nicaragua.

WHEELOCK ROMAN RETURNS FROM USSR, BULGARIA

PA291443 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 28 Dec 82

[Text] Upon his return from the commemoration of the USSR's 60th anniversary, Commander of the Revolution Jaime Wheelock Roman said that a positive step was made in Nicaragua's relations with the Soviet Union and Bulgaria.

Wheelock returned from the Soviet Union and Bulgaria this morning. Upon his arrival, he reported on the commemoration of the USSR's 60th anniversary. The revolutionary leader explained that Nicaragua's relations with the fraternal socialist countries had been enhanced. He noted that bilateral talks were held with guests at the celebration.

He added that his meetings with party and government leaders in Bulgaria resulted in an increase in Bulgarian cooperation for 1983-1985.

[Begin Wheelock Roman recording] Then we went to Bulgaria, where we met with Todor Zhivkov, secretary general of the Bulgarian Communist Party and chairman [of the State Council]. We delivered greetings from the FSLN and the government and also took the opportunity to assess the chances of increasing our economic relations and the cooperation between Bulgaria and Nicaragua, which have been developing with great success. [end recording]

FURTHER ON NATIONAL ASSEMBLY'S CLOSING SESSION

FL291402 Havana Domestic Service in Spanish 1145 GMT 29 Dec 82

[Excerpts] Our Commander in Chief, Fidel Castro, first secretary of the Party Central Committee and president of the Councils of State and Ministers, last night closed the final working session of the 1982 National Assembly of the People's Government.

The state forecast an average social product growth rate of 2 to 2.5 percent in its sole economic-social development plan for 1983. The state predicted a growth rate of 2 percent in commercial trade, 1.6 to 2 percent in wage funds and 1.5 to 2 percent in productivity. The state also forecast the completion of 30,000 housing units and a 4 percent growth in the number of children attending infant care centers. The number of students attending secondary schools is expected to grow by a rate of 3 percent. The number of hospital beds is expected to grow by a rate of 4 percent while the number of doctors is expected to grow by a rate of 11 percent.

The report rendered by Diocles Torralba pointed out that the annual average of our sugar production during the entire revolutionary period is 500,000 tons greater than [the average] achieved by the capitalists during the period 1951-1958. The report stressed that in the 1976-1980 5-year period there was considerable growth in the sugar industry which yielded an average of almost 7 million tons of sugar. The report, while noting the achievements attained, also touched on the deficiencies still prevailing in the industry and provided ways to overcome them. All the deputies participating in the discussions agreed that it was a high-quality report.

RAUL CASTRO, USSR'S ANDROPOV HOLD TALKS

FL292041 Havana Domestic Service in Spanish 1902 GMT 29 Dec 82

[Text] Yuriy Andropov, secretary general of the CPSU Central Committee, and Raul Castro, second secretary of Cuba's Communist Party, first vice president of the Councils of State and Ministers and FAR minister, held talks today.

During the meeting, in which other Soviet high officials participated, the two sides exchanged views on the development of cooperation between the two countries and current international problems. It was stressed that the two sides will continue to strengthen and develop Soviet-Cuban friendship and multifaceted cooperation. Andropov reiterated his country's unwavering solidarity with ours. It was also decided by the two sides to do everything possible to put an end to the dangerous arms race to guarantee peace and security for all peoples.

VICE PRESIDENT ALMEIDA MAKES STOPOVER IN CONGO

FL291915 Havana Domestic Service in Spanish 1700 GMT 29 Dec 82

[Text] Brazzaville -- Juan Almeida Bosque, member of the Politburo and vice president of the Councils of State and Ministers, paid a brief visit to Brazzaville during a stopover en route from Mozambique. The Cuban leader was welcomed at Brazzaville's Maya Maya International Airport by (Michel Bocamba Yangoma), member of the Congolese Labor Party Politburo and secretary general of the Congolese Trade Union Confederation. The two held a cheerful personal conversation.

RODRIGUEZ MEETS WITH VISITING FOREIGN BRIGADE

FL291230 Havana Domestic Service in Spanish 1100 GMT 29 Dec 82

[Text] Carlos Rafael Rodriguez, member of the party Politburo and vice president of the Councils of State and Ministers, held a meeting at the main offices of the ICAP [Cuban Institute of Friendship With Peoples] with members of the Fifth Contingent of the Antonio Maceo Brigade. The brigade is made up of Cuban youths living abroad.

During the meeting, Carlos Rafael Rodriguez said that to Cubans the brigade is like meeting an extension of the fatherland. He said he was pleased with the degree of determination and the conduct of that organization which is based in the United States, Venezuela, Spain, Puerto Rico, Mexico and Costa Rica.

The Cuban leader explained the general characteristics of the Cuban revolutionary process, Cuba's position on the Central American and Caribbean issue and the ideals of building the basic foundations of socialism.

The youths were interested in knowing how they could help in the area of promoting solidarity with Cuba abroad. Carlos Rafael Rodriguez answered: By telling of what you have seen in Cuba, giving your own interpretation of the real Cuba.

FOREIGN MINISTRY DELEGATION ENDS TALKS IN INDIA

FL291445 Havana Domestic Service in Spanish 1200 GMT 29 Dec 82

[Text] The Cuban Foreign Ministry delegation has ended 5 days of talks in New Delhi regarding the different topics to be discussed at the Seventh Summit of the Nonaligned Movement, slated to be held in the Indian capital. The Cuban group was headed by Lazaro Mora, director of the Foreign Ministry's Nonaligned Movement Department.

SOVIET ENVOY ON SOCIALISM, BILATERAL RELATIONS

PA292053 Havana International Service in Spanish 0000 GMT 29 Dec 82

[Text] Konstantin Katushev, Soviet ambassador to Cuba, said here in Havana that socialism's ideal is a world without weapons and that the difficulties and tensions of the present world can and must be settled. Katushev held a news conference on 30 December, the occasion of the 60th anniversary of the foundation of the USSR. The ambassador noted the integration of that state which is composed of over 100 Soviet nations and ethnic groups differing in language, culture and characteristics, but which are closely bound by their historic destinies. The Soviet ambassador noted that in 65 years of revolution, Soviet industrial production has increased 169 times and today the USSR is responsible for 20 percent of the world's industrial products.

Katushev referred to relations with Cuba, which is fifth among the main commercial partners of the USSR and whose trade volume in 1981 reached 4.8 billion rubles. He also referred to the recent statement by Raul Castro, second secretary of the Cuban Communist Party's Central Committee. At the ceremony commemorating the 60th anniversary of the foundation of the USSR held in Moscow, Raul Castro reaffirmed the bonds of friendship between the Cuban and Soviet peoples. Raul Castro also reaffirmed Cuba's position of principle in the struggle for peace.

VIETNAMESE ATTACHE ON LIBERATION STRUGGLES

PA292100 Havana International Service in Spanish 0000 GMT 29 Dec 82

[Text] Col Nghiem Xuan Hieu, military, naval and air attache of the Socialist Republic of Vietnam in Havana, told this radio station that his country supports the just struggle of the peoples of El Salvador, Guatemala and Honduras to win their true freedom. He also said his country supports the untiring struggle of Cuba, Nicaragua and Grenada to defend their national sovereignty.

On the occasion of Wednesday's celebration of the 10th anniversary of the Vietnamese victory over the U.S. Strategic Air Force in its war of total destruction against North Vietnam, the military attache noted that the Yankee imperialists, who are planning to carry out new crimes against other peoples, particularly those in Central America, should bear in mind the setback suffered at the hands of that Indochinese nation.

The reactionary policy of the United States, which already has met firm rejection by all nations of the world, will fail in Central America and the Caribbean, just as it failed in the other parts of the world, the Vietnamese diplomat predicted.

AALAPSO ISSUES DOCUMENT ON CUBA'S ANNIVERSARY

FL292241 Havana Domestic Service in Spanish 2102 GMT 29 Dec 82

[Text] In Havana, the Afro-Asian-Latin American People's Solidarity Organization -- AALAPSO -- has issued a declaration on the occasion of the 24th anniversary of the Cuban revolution's triumph. The document notes that this event has radically changed the economic, political and social picture in the biggest island in the Antilles, and has opened a new and irreversible phase in the struggle of the Latin American and Caribbean peoples. The document states that since the revolution's triumph the Cuban people have been forced to confront all types of aggression by Yankee imperialism. AALAPSO notes that today, as yesterday, the courageous Cuban people, monolithically united around the party and Commander in Chief Fidel Castro, are willing at any price to defend the revolution and the gains that have been attained.

HAVANA CITES 'PURGE' IN BOLIVIAN MILITARY

PA291637 Havana International Service in Spanish 2310 GMT 28 Dec 82

["Our America" commentary]

[Text] A purge is underway in the Bolivian Army, an institution stained by the blood of the hundreds of workers and peasants who were killed during the military regimes of the last few years. Thus, honest Bolivian officers are complying with the expressed desire of the people and the democratic government by initiating a true purge of that armed institution, to render it a genuine defender of the country's interests.

At a rally held recently at the main plaza in (Muyin), a mining district in northern La Paz, Bolivian President Hernan Siles Zuazo noted that 15 ranking army officers have received dishonorable discharges. Among them, he mentioned former dictator Gen Luis Garcia Meza and former Interior Minister Col Luis Arce Gomez, both currently in exile in Argentina.

The country, Siles Zuazo said, is recovering its dignity and destiny by removing the handful of drug traffickers and thugs who were ruling it. Now the democratic government can be influenced only by the rural and urban workers who are the true creators of society's wealth and values.

In this regard, the Movement of the Revolutionary Left [MIR] stressed that Arce Gomez's dishonorable discharge from the armed forces was just the first step. He will also be tried, through regular procedures, because of his involvement in the killing of eight MIR leaders in 1981. Arce Gomez must also account for the killing of Marcelo Quiroga Santa Cruz, leader of the Socialist Party 1.

As a part of the purge in the armed forces, it was reported in La Paz that former head of state Gen Guido Vildoso was transferred to the active reserve forces, as established in military regulations. Meanwhile, Col Faustino Rico Toro, leader of the so-called army hardliners, was appointed military attache in Spain.

This entire process of purging the army's ranks coincides with the implementation of several economic measures intended to help overcome the country's serious crisis. Certain rightist sectors in the Bolivian legislature are trying to heighten this crisis in an effort to create greater difficulties for the Siles Zuazo administration. In this context, the second peasant congress of La Paz Department expressed full support for the Siles Zuazo Government's economic measures and denounced the maneuvers by certain rightist legislators to create the necessary conditions for a return to what the peasant congress described as antinational coupist adventures.

However, the rightist maneuvers, supported by the United States and by certain military regimes of the area, are meeting with no response from the people, who understand the government's austerity measures. Indeed, the Bolivian workers and peasants have expressed total support for the democratization and economic adjustments being implemented in the country. The Bolivian Government knows that only the support of the people, the peasants and the miners can ensure the consolidation of democracy there.

In a recent meeting with the miners, Siles Zuazo recalled their active participation in the April 1952 revolution, which led to the nationalization of the mines and the establishment of agrarian reform. He said that the miners have made an important contribution to democracy and justice in Bolivia because of their high degree of politicization and class awareness. Were the government to find itself in a dangerous situation, he stressed, I am sure that the miners would be the first to come to its defense.

HAVANA ON CHRISTMAS PLOT AGAINST NICARAGUA

PA260305 Havana International Service in Spanish 0000 GMT 26 Dec 82

["Our America" commentary]

[Text] On Thursday the Nicaraguan revolutionary government denounced a sinister terrorist plan to carry out sabotage in public places in this Central American country by means of a powerful explosive known as C-4, which is manufactured only in the United States. At a press conference in Managua, Nicaraguan Interior Minister Tomas Borge announced that state security personnel had managed to thwart the criminal plan and had arrested two of the counterrevolutionaries involved in it. He added that two other counterrevolutionaries were killed in a clash with the revolutionary forces. According to the information obtained, he said, the plan consisted of placing C-4 explosive charges in buses, supermarkets, service stations and automobiles, and that the plan had been named "Bitter Christmas" and was to have started on 24 December.

Borge said that with this plan in mind the counterrevolutionaries distributed in Nicaraguan territory a number of containers filled with this powerful explosive. The containers bore the well-known image of Mickey Mouse. The explosive was also placed inside lights and other articles fitted with magnets so that they could be attached to metal surfaces. The Sandinist leader said that the most disgusting part of the plan was that it was aimed in a planned and coldblooded manner at indiscriminately murdering the children of Nicaragua, who would be attracted to the image of Mickey Mouse. He warned that extreme care must still be exercised, because a certain amount of the explosive has not been located by the revolutionary forces.

Commander Borge said: I would like to stress that C-4 explosive is manufactured only in the United States, and that its distribution is controlled exclusively by the U.S. Government. Borge pointed out that the explosive power of C-4 is one and one half times that of the better-known conventional explosives such as TNT and dynamite, and that it cannot be discovered by metal detectors. Packed into plastic boxes, the C-4 explodes 15 minutes after a certain chemical product that the box contains has been released, the interior minister said. Borge recalled that this is the same explosive that was used in February in the attack on the Augusto Cesar Sandino International Airport in Managua, and that three Nicaraguan workers perished in that attack. It was also used to blow up the bridges over the Negro and Ocotal Rivers on 14 March.

Once again, U.S. imperialism and its agents have been unmasked by the revolutionary forces, but on this occasion the operation was not aimed at Nicaraguan military or economic targets, but at the defenseless civilian population and mainly at children, which highlights the hideousness of the scheme. Once again the bloodthirsty nature of imperialism has been revealed; imperialism stops at nothing to achieve its criminal objectives. To Washington the end justifies the means, and it is not important if to achieve this end it has to murder dozens of children.

However, this is nothing new. U.S. imperialism has already unsuccessfully tried these detestable methods of terror and intimidation against Cuba, Vietnam and other countries that managed to achieve their political and economic liberation after many years of tireless struggle. That is why we can say that on this occasion, too, the enemies of the new Nicaragua will not achieve their objectives. Far from becoming intimidated, the Nicaraguan people are closing ranks around their victorious revolution, ready to defend at any cost the free fatherland that Sandino fought to liberate.

NICARAGUAN ENVOY PRAISES NEW MARITIME LINE

PA291624 Managua Domestic Service in Spanish 0300 GMT 29 Dec 82

[Text] Havana -- Marcos Antonio Valle, Nicaraguan ambassador to Cuba, said today that the opening of a commerical maritime line between Cuba and Nicaragua is yet further proof of the Cuban brothers' militant solidarity. He made this statement at the inauguration of this transportation service in Havana today. He added that the Cuban people have been, are and will be Nicaragua's greatest brothers and friends.

Osmani Cienfuegos, vice president of the Cuban Council of Ministers, and Foreign Trade Minister Ricardo Cabrizas attended the ceremony inaugurating this service.

The maritime line was named Caribbean Service and will connect the Cuban ports of Cienfuegos and Mariel with the Nicaraguan ports of Corinto and (Arlene Siu) on the Atlantic [location as heard] and with Sandino on the Pacific.

HAITI

PRESIDENT DUVALIER REMOVES FOUR CABINET MEMBERS

PA300426 Paris AFP in English 0409 GMT 30 Dec 82

[Text] Port-au-Prince, Dec 30 (AFP) -- Haitian President-for-Life Jean-Claude Duvalier sacked four ministers Wednesday as police arrested a radio journalist after the detention Tuesday of Christian Democratic Party leader Sylvio Claude. Old-guard figures Bertholand Edouard and Remillot Leveille were replaced as justice and agriculture ministers respectively by Rodrigue Casimir, who has held the job before, and by Nicot Julien, who had been Mr Leveille's deputy.

Also ousted was Mines Minister Jean E. Pierre, who had been regarded as a technocrat. Youth and Sports Minister Henri Remy also lost his job.

The arrested journalist, Gerard Dennerville, a layman active in religious movements, worked with a radio station in the capital, Radio Cacique.

Mr Claude was being held at the country's main military barracks, where he was taken with his daughter Marie-France, an official of the party, who was freed after a few hours.

Father and daughter have been in jail or under house arrest for more than 2 years since the party's magazine, CONVICTION, printed what the authorities deemed [words indistinct] photograph of President Duvalier because it carried a hostile caption. Mr Claude was sentenced to 15 years hard labor in August 1981 for subversion. He was pardoned [words indistinct] the 25th anniversary of the Duvalier family's rule in the Caribbean republic but was kept under house arrest.

Havana Notes Claude Arrest

PA291941 Havana International Service in Spanish 0000 GMT 29 Dec 82

[Text] Sylvio Claude, secretary general of the Haitian Christian Democratic Party, was arrested in Port-au-Prince with his daughter Marie-France, also a leader of that political organization. Some time before, Catholic activist Gerard Dennerville was also arrested. He is known for his position in defense of the Haitian people's democratic rights, which have been trampled by Jean-Claude Duvalier's dictatorship.

Sylvio Claude and his daughter were in prison for 2 years until last 23 September, when they were released and placed under house arrest. Since then, the police have subjected Claude to steady abuse in an attempt to force him into exile, a possibility that Claude has rejected on many occasions.

JAMAICA

GOVERNMENT REPORTS 1.6 PERCENT ECONOMIC GROWTH

FL292112 Bridgetown CANA in English 1944 GMT 29 Dec 82

[Text] Kingston, Jamaica, Dec. 29, CANA -- The Jamaica Government today formally announced that it was expecting one percent economic growth for the 1982 calendar year rising to 1.6 percent by the end of the fiscal year next March. According to an overview of the January to September economic and social survey, the performance was creditable given the stagnation in the international system.

Last year the Jamaican economy recorded 2.0 percent growth, and the government had for the better part of the first half of 1982 predicted a 4.0 percent expansion in gross domestic product (GDP) this year. That was later revised downward to 2.0 percent, until today's new figure put out by the National Planning Agency (NPA). Economic analysts had last week given the one percent forecast.

It was the serious downturn in the country's vital bauxite/alumina industry, which accounts for upwards of 70 percent of Jamaica's foreign exchange earnings, that upset earlier forecasts, the NPA said, and without the reductions, caused by falling demand for aluminium, the economy would have achieved the 4.0 percent expansion.

The NPA pointed out that for the first nine months of this year Jamaica's bauxite production declined by 25.7 percent when compared with output for the same period in 1981, and by the end of the year the contraction was expected to be 26.3 percent. Bauxite production in 1981 was 11.6 million tonnes.

In monetary terms, the planning agency projected foreign exchange earnings from the sector at 523 million dollars (U.S.) -- 31.3 percent decline on the 761 million dollars (U.S.) of 1981. In addition some 1,400 people would have lost their jobs in the industry by yearend, a 17.5 percent reduction of the 1981 workforce.

Said the NPA: "Despite the continuing stagnation in the international economy, and the adverse declines noted...the Jamaican economy is projected to achieve in calendar year 1982, a one percent growth rate, measured in real terms...the projected growth for fiscal year 1982/83 is 1.6 percent."

The government planning agency, which works with a statistical model that has a 34-sector input/output matrix in providing its analyses, said that if allowances were made for the mining and quarrying sector, the rest of the economy would grow by 3.6 percent. "The conclusion to be drawn therefore, is that the mining and quarrying sector apart from the rest of the economy achieved their targeted growth rate for 1981 of approximately 4.0 per cent," the survey said.

Of the nine other sectors listed by the NPA, only agriculture, with a projected 3.0 per cent decline, was expected to show a downturn in 1982. The largest growth sector was construction and installation, projected for a 29 per cent improvement, compared with 2.5 per cent in 1981.

Finance and insurance followed with projected growth of 10.6 per cent, a 1.6 per cent decline on last year's expansion.

The important manufacturing sector, according to the government's prediction, should grow by 3.0 percent, against 0.4 percent in 1981, but the survey noted that with its unused capacity the sector's performance was below capacity. Last month the president of the Jamaica Manufacturers Association, Anthony Williams, said that manufacturing would grow by only 0.8 percent this year.

The NPA said that gross fixed capital formation, at current prices, should show a rise of nearly 33 percent, a little short of the 35 percent originally forecast. This was due to the reduced scale of investment in the mining sector.

One worry to the government is the pace of increase in consumption among Jamaicans.

Said the survey: "Among the developments which may be regarded as negative was a 12 percent growth in consumption which was somewhat faster than overall economic growth. This trend has adverse implications for the economy's contribution of its pool of investment resources".

BOUTERSE: NO RETURN TO PARLIAMENTARY GOVERNMENT

NC291809 Paris AFP in English 1801 GMT 29 Dec 82

[Excerpt] The Hague, Dec 29 (AFP) -- Suriname military junta chief Lieutenant Colonel Daysi Bouterse has pledged that as long as he is in power there will be no return to parliamentary democracy.

In a television interview, reported by the government controlled SNA press agency and received here today, Col Bouterse said such a system had never worked well in Suriname and accused parliamentarians of "not having served the country."

Suriname's military ruler said a "new government with a new programme" was being formed.

BOUTERSE DEMANDS AID PROMISED BY NETHERLANDS

FL292213 Bridgetown CANA in English 1955 GMT 29 Dec 82

[Text] Paramaribo, Suriname, Dec 29, CANA -- Suriname will not allow Holland to withhold aid promised under a treaty that gave this former Dutch colony independence in 1975 without making a fight, army strongman Lieutenant Colonel Daysi Bouterse has said.

"The Netherlands shall have to pay us the money," the official SURINAME NEWS AGENCY (SNA) quoted Commander Bouterse as saying on television last night. "We are entitled to it."

The Hague suspended part of the 1.5 billion dollars (U.S.) of developmental aid promised Suriname in 1975 after reports that Suriname military rulers had executed at least 15 persons said to have been suspected of plotting a Christmas coup.

Bouterse denied there were executions: He said the 15 -- including former Sports Minister Andre Kamperveen and top unionist Cyril Daal -- were shot while trying to escape from custody.

The commander said last night that Suriname would fight against the withdrawal of aid to this country by Holland by all means available, including judicial and diplomatic means and at the international level.

He informed the nation that a diplomatic mission which arrived here yesterday had reported that one of the biggest countries in the region was now willing to aid this country financially. According to Bouterse, this financial support should be seen as a political loan to prevent social and economic chaos in the country due to the withdrawal of aid from the Netherlands.

Commander Bouterse said Suriname had not violated the agreement with the Netherlands, and that the Netherlands could not use aid as a weapon against the former colony. The commander said that during this month's disturbances about 45 million guilders (approximately 17 million U.S. dollars) were withdrawn from the commercial banks. These sums, the commander said, were transferred to foreign banks or kept in homes.

With regard to foreign companies which exert pressure on the Suriname population, the commander said their replacement by local firms was part of the anti-imperialist struggle now being waged.

On the question of the media, the commander said there had never been a clear-cut policy on the media in this country, and the military rulers were now working to formulate one. Lt Col Bouterse remarked that only a clear-cut media policy could keep the people here fully informed of developments in the country.

BRAZIL

ABI-ACKEL ORDERS RELEASE OF U.S. PROFESSOR

PY291843 Sao Paulo Radio Bandeirantes Network in Portuguese 1600 GMT 29 Dec 82

[Text] By express orders of Justice Minister Ibrahim Abi-Ackel, professor Reynaldo Cue, a Cuban by birth and a naturalized U.S. citizen, was set free. Cue was detained in November 1982 on charges of staying illegally in the country. He is facinga deportation trial and for this reason he has been held by the Sao Paulo department of political and social order.

CHILE

SPECIAL EXILES' COMMISSION CONCLUDES WORK

PY300234 Buenos Aires LATIN in Spanish 1821 GMT 29 Dec 82

[Text] Santiago, Chile, 29 Dec (LATIN-REUTER) -- The Chilean Government today pronounced complete the work that was being carried out by a special commission charged with studying the situation of thousands of Chilean exiles who have been banned from returning to Chile. The work will be continued by the Interior and Justice Ministries, it was officially announced.

An Interior Ministry communique stated that the commission has submitted a report to President Pinochet containing the commission's views and recommendations on the subject, in order that the head of state might adopt a final decision upon reviewing the report. The communique added that President Pinochet expressed his gratitude for the report and he thanked the commission's members for their work. The commission was made up of Interior Minister Enrique Montero, Justice Minister Monica Madariaga and of three jurists.

On 24 November [as received] General Pinochet authorized the return of 125 [as received] persons, provided that they recognize the government and refrain from carrying out actions for which they were sanctioned.

The official communique stated that following the conclusion of the commission's work, the president has ordered that the Interior and Justice Ministries continue with the work of studying the applications that might be submitted by those persons who are banned from returning to the country.

According to official estimates, there are approximately 11,000 persons in this situation. However, some organizations made up of exiles' relatives estimate that the real figure exceeds 30,000 persons. Interior Under Secretary Ramon Suarez, who served as the commission's secretary, stated that the list disclosed last Friday containing the names of 125 persons who had been authorized to return, was only the first step taken to resolve the exiles' problem.

The Vicariate of Solidarity, an organ subordinate to the Catholic Church, stated that out of the above list, 31 persons had left the country as exiles, 31 were expelled and 2 left because they had their sentences commuted. As for the remaining, Enrique Palet, the Vicariate's executive secretary, stated that as far as we know, they left Chile under normal circumstances, and many of them did not know that they were banned from returning to the country.

Two of these persons have been living in Chile for some time and two others have reportedly died, unless it is a question of similar names. However, the interior minister stated that the name of Jose German Basualto (one of the persons who reportedly died), was mistakenly included on the list instead of Julia Basualto.

MEXICO

PRESIDENT SEEKS TO SELL SHARES OF BANKS

FL291630 Mexico City NOTIMEX in Spanish 0445 GMT 29 Dec 82

[Excerpt] Mexico City, 28 Dec (NOTIMEX) -- The Secretariat of Finance has stated that President Miguel de la Madrid's initiative, proposing to sell 34 percent of the shares of the nationalized banks, is an attempt to democratize that important source of income for the country. The secretariat denied that it is an attempt to return to the bankers part of their old property and assured that the bank shares will be av ilable to any Mexican.

The Secretariat of Finance explained, however, that all depends on the Chamber of Deputies approving the initiative sent to them by the President. The initiative proposes selling 34 percent of the nationalized banks, giving priority to bank employees, cooperative societies, worker institutions, federal public administration entities, state and municipal governments and clients of the bank and credit services, the secretariat said. However, the secretariat did not deny the possibility that the former owners of the banks may have access to a percentage of the proposed shares, with the only restriction being that no single person may aquire more than 1 percent through one or several transactions of any nature, either simultaneous or consecutive.

CREATION OF FOUR NEW MINISTRIES ANNOUNCED

PA301255 Paris AFP in Spanish 2148 GMT 29 Dec 82

[Text] Mexico City, 29 Dec (AFP) -- The Mexican Government led by President Miguel de la Madrid today announced the creation of four new ministries. The newly created ministries are the Comptroller General's Office; the Ministry of Commerce and Industrial Development; the Ministry of Energy, Mines and Semi-state Industry; and the Ministry of Urban Development and Ecology. The report published in the official gazette does not state who the new ministers will be.

VENEZUELA

ZAMBRANO PLEASED WITH GUYANESE STATEMENT

FL292203 Bridgetown CANA in English 2110 GMT 29 Dec 82

[Text] Caracas, Dec 29, CANA-REUTER -- Venezuela views with great interest statements attributed yesterday to Guyanese Foreign Minister Rashleigh Jackson that Guyana is prepared to negotiate the Essequibo dispute next year, Foreign Minister Jose Alberto Zambrano Velasco said today.

Although he has received no official confirmation of Jackson's comments, which were made to a Guyana state radio, Zambrano described them as a positive development. "I think it is a step towards Venezuela's position, since we have always maintained that negotiation is the best means of resolving the differences and reaching a peaceful settlement," Zambrano said.

He said he is convinced that sooner or later, and probably next year, a means of settling the dispute will have to be decided in the context of the Geneva agreement. "Of course negotiation would be an excellent way of resolving our problems," Zambrano added.

Venezuela has supported bilateral negotiations with Guyana to resolve its claim on the 53,000 square mile Essequibo region but Guyana has proposed submitting the dispute to the International Court of Justice in The Hague.